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PROPOSED ORDER OF CITIZENS UTILITIES COMPANY OF ILLINOIS

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

CITIZENS UTILITIES COMPANY OF ILLINOIS)
d/b/a CITIZENS WATER RESOURCES)
)
Petition for a Certificate of Public Convenience)
and Necessity to provide water and sanitary)
sewer service to parcels in McHenry County,)
pursuant to Section 8-406 of the Public Utilities)
Act; and for approval of a contract.)

Docket No. 00-0194

PROPOSED ORDER
OF CITIZENS UTILITIES COMPANY OF ILLINOIS

I. PROCEDURAL AND FACTUAL BACKGROUND

This proceeding involves Citizens Utilities Company of Illinois' ("Citizens") request, pursuant to Section 8-406 of the Public Utilities Act ("PUA"), 220 ILCS 5/8-406, that the Illinois Commerce Commission ("Commission") grant a Certificate of Public Convenience and Necessity authorizing Citizens to provide water and sanitary sewer services to various parcels located in McHenry County, Illinois. The area for which Citizens seeks certification is approximately 1,444 acres and is located within the corporate limits of the Village of Prairie Grove. Citizens Ex. 2.0 at 4 (Khan). Citizens further requests, to the extent necessary, approval of a related contract with Terra Cotta Realty Co. ("Terra Cotta").

Citizens is a public utility that currently provides water and/or sanitary sewer services to over 73,000 (approximately 39,000 water and 34,000 sewer) customer connections in six counties within northeastern Illinois. Citizens is a wholly-owned subsidiary of Citizens Communications Company, formerly known as Citizens Utilities Company, which directly or

through operating subsidiaries provides water, wastewater, electric, gas and/or communications services in more than 22 states throughout the United States. Citizens owns, operates and maintains water production wells, mains, hydrants, storage tanks and pumping stations, in addition to sanitary sewer collection systems, pumping stations, trunk sewers and sewage treatment plants. Citizens Ex. 2.0 at 4 (Khan).

Terra Cotta and its affiliates own all the facilities which initially will serve the area for which Citizens is currently requesting certification. In preparation for initial phases of development in the area, Terra Cotta constructed a 500,000 gallon elevated water storage tank, two wells, a well house, and a lift station, along with water and sanitary sewer mains. Terra Cotta also owns a 100,000 gallon per day water reclamation facility ("WRF"). Citizens has entered into an Asset Purchase Agreement ("Agreement") with Terra Cotta to acquire these existing water and sewer facilities. In particular, these facilities initially will be available to provide water and sanitary sewer services to a new single family home development, a townhome development and a commercial development. Over the years, as development progresses, additional facilities may be required and they will be provided as needed. At this time, however, Citizens is not proposing any new water facilities. Planning for the WRF expansion is expected to commence in the year 2000. Citizens Ex. 1.0 at 3-4 (Scheppmann).

Citizens filed its Petition for a Certificate of Public Convenience and Necessity on February 25, 2000. The testimony of Reed Scheppmann and Bob Khan was filed on behalf of Citizens on March 29, 2000. The testimony of Theresa Ebrey and Roy A King, on behalf of the Staff of the Illinois Commerce Commission ("Staff"), was filed on May 24, 2000. Rebuttal testimony of Reed Scheppmann was filed on behalf of Citizens on June 9, 2000. Citizens filed a

Motion for Temporary Certificate of Public Convenience and Necessity on May 23, 2000, and the Motion was granted by the Commission on June 21, 2000. A hearing was held in this matter on August 1, 2000, at the Commission's Chicago office and the record was marked Heard and Taken on that date. Simultaneous briefs were filed by Citizens and Staff on September 14, 2000. Reply Briefs were filed on October 6, 2000.

II. PARTIES' POSITIONS

Citizens' Position:

Citizens argues that the requirements for a certificate set forth in Section 8-406 of the PUA have been met. Specifically, Citizens asserts that certification is necessary to provide adequate, reliable and efficient water and sanitary sewer service to the customers in the area. Citizens explains that several developments in the area will soon be in need of service, and there is no other water or sanitary sewer utility providing the required service. Tr. at 27; Citizens Ex. 1.0 at 4-5 (Scheppmann). The area for which certification is requested is located within the corporate limits of the Village of Prairie Grove, and the village supports Citizens' Petition. Citizens Ex. 1.0 at 4 (Scheppmann).

Citizens explains that the existing facilities are sufficient to serve the initial phases of development and were designed, tested and inspected by professional engineers; as such, Citizens asserts it will be able to provide adequate, reliable and efficient service to the customers in that area, as it does to all its customers. Citizens Ex. 1.0 at 5 (Scheppmann).

Citizens also asserts that certification is the least-cost means of satisfying the service needs of customers to be located in the area for which certification is sought. Citizens explains that the owner of the facilities has already entered into an agreement to sell those facilities to

Citizens and, therefore, it is most cost efficient for Citizens to provide service to the area. Certification of Citizens would avoid duplication of facilities and unnecessary costs. Citizens adds that, because of its size and financial strength, it possess economies of scope and scale lacking in smaller, stand-alone systems. These economies of scope and scale assure that certification of Citizens is the least cost means of satisfying the service needs in the area being developed. Citizens Ex. 1.0 at 5-6 (Scheppmann).

Citizens also maintains that it is capable of efficiently managing, supervising and financing the activities and facilities necessary to serve all of the parcels without adverse financial consequences to Citizens or its customers. Citizens asserts that this is evident from its proven track record. Citizens Ex. 1.0 at 6-7 (Scheppmann). Citizens explains that it has access to all of the necessary funds to support this investment through its parent, Citizens Communications Company. Citizens Ex. 1.0 at 7 (Scheppmann).

Citizens also argues that the Agreement between Citizens and Terra Cotta is reasonable and should be approved by the Commission. Citizens states that the Agreement was the result of arm's-length negotiations between Citizens and Terra Cotta, and represents the best interests of both parties. Citizens explains that both parties voluntarily entered into this Agreement and, if the terms of the Agreement were not satisfactory, either party could have elected to abandon negotiations, or to negotiate with another party. Citizens states that the Agreement was entered into in good faith, is fair to both parties, and produces results that are in the public interest and serve the public convenience. Citizens Ex. 1.0 at 8 (Scheppmann). Citizens further states that the financial arrangement under the Agreement complies with 83 Illinois Administrative Code

600.370 and Citizens' tariff does not prohibit a transaction of the type described in the Agreement. Citizens Ex. 1.0 at 10 (Scheppmann).

Staff's Position:

Staff agrees with Citizens that the requirements of section 8-406(b) have been met and recommends issuance of a certificate to Citizens. Specifically, Staff states that Citizens demonstrates it will provide adequate, reliable and efficient water and sewer service to customers at the Terra Cotta site. Staff further states that, based on Citizens' filing and supporting documentation, issuance of a certificate to Citizens is the least cost method for providing water service to the site. Staff adds that Citizens consistently demonstrates its water-supply facilities, distribution systems, and sewer-collection systems are well maintained. Moreover, because Citizens is owned by a strong national parent, Staff states that Citizens has the necessary financial and operational resources required for issuance of a certificate. (Staff Initial Brief at 2-3).

Staff supports approval of the Agreement between Terra Cotta and Citizens with respect to the water supply facilities and distribution system, noting Citizens' compliance with Section 600.370 of the Commission's Standards of Service for Water Utilities (83 Ill. Admin. Code 600.10 *et seq.*). Nevertheless, Staff opposes the Agreement to the extent it fails to refund Terra Cotta's sewer collection investment. Staff asserts that Terra Cotta's advance insulates Citizens and its existing customers should residential development slow or fail, and ensures that Terra Cotta bears most of the risks associated with facilities construction. Staff further asserts that, in the absence of a sewer refund provision, Citizens will enjoy a windfall. Staff claims that high returns and limited liability endanger utility customers by providing a disincentive for continued

infrastructure investment and by increasing the risk of inferior service. Staff's argument also suggests that Citizens' tariff (Section 11 - "Extension of sewer mains" (ILL C.C. No. 5, p. 25) requires Citizens to provide refunds to Terra Cotta. (Staff Initial Brief at 4-5).

Although Staff ultimately recommends issuance of a certificate, Staff alleges that facilities were prematurely constructed. (Staff Initial Brief at 3).

Finally, Staff recommends the Citizens comply with the Uniform System of Accounts for Water Utilities Account 104 ("Utility Plant Purchased or Sold") standards in its accounting treatment and reports regarding the Agreement. Staff notes that Citizens already has agreed to file with the Commission and provide to the Commission's Director of Accounting Agreement-related journal entries and supporting materials.

Citizens' Response to Staff:

Citizens disagrees with Staff's assertion that the Agreement is not reasonable with respect to the sewer facilities, and asserts that there is no legal or policy basis for Staff's proposal. As a policy matter, Citizens argues that Staff's proposal to increase investment in sewer facilities would exert upward pressure on the rates charged to customers; thus, harming both Citizens and its customers. In contrast, Citizens asserts that the negotiated Agreement with Terra Cotta will not put any pressure on rates due to increased investment. Additionally, Citizens emphasizes that the Agreement between Terra Cotta and Citizens was the result of arms' length negotiations between two experienced parties, Citizens Ex. 1.0 at 8 (Scheppmann), and the Commission should not substitute its judgment for that of Terra Cotta's experienced management. Citizens asserts that the negotiated agreement is in the best interest of ratepayers.

Citizens further argues that there is no legal basis for Staff's proposal. Specifically, Citizens asserts that the PUA, the Commission rules, and Citizen's tariffs do not require a sewer utility to make refunds as Staff suggests. In support of its position, Citizens notes that this Commission has rejected similar proposals in the past. See Citizens Utilities Company of Illinois, Ill. C.C. Docket No. 94-0481, 1995 WL 612576 * 13 (1995). In response to Staff's assertion that Section 11 - "Extension of sewer mains" (ILL C.C. No. 5, p. 25) requires refunds to be paid to Terra Cotta, Citizens explains that this provision only applies to six homes or less and, therefore, is inapplicable in this case where hundreds of homes as well as a business park are being constructed. (Tr. at 27)

In response to the Staff assertion that Citizens will enjoy a "windfall" by acquiring valuable facilities without making any investment in them, Citizens explains that it will make a significant investment in these facilities over time. Citizens further explains that it does not earn a return on the gross utility plant, but only net plant. Tr. at 34. Citizens emphasizes that it is necessary to treat sewer utilities differently than electric and gas utilities with respect to refunds because of the higher level of investment per customer for sewer facilities. (Staff Ex. 2.0 at 12 (King)). Citizens explains that this higher investment is why the Commission has never required such refunds.

Citizens also disagrees with Staff's assertion that facilities have been constructed prematurely. Citizens states that the unrefuted testimony of its witnesses establishes that Terra Cotta, not Citizens constructed all the facilities in question. (Citizens Ex. 1.0 at 3-4, 7, 9; Citizens Ex. 2.0 at 5-6; Tr. 15) Citizens states there is no indication that it was involved in any way in the construction of facilities, or that it even knew about the facilities at any time before it

entered into negotiations with Terra Cotta to purchase its existing facilities. (Tr. 29, 40).

Citizens points out that both of its witnesses testified that Citizens did not provide any assistance to Terra Cotta in designing the water and sewer facilities. (Tr. 29, 40).

Citizens also argues that the Commission cannot properly consider Staff's assertion about premature construction because Staff did not mention or present facts concerning purportedly premature construction of facilities at any time before Initial Briefs were filed. Citizens asserts that consideration of Staff's allegation would violate Citizens' due process rights, *Illinois Commerce Commission v. Operator Communication Inc.*, 281 Ill.App.3d 297, 302-03 (1st Dist. 1996), as well as Section 10-103 of the PUA. *See Village of Montgomery v. Illinois Commerce Commission*, 249 Ill. App.3d 484 *8 (2nd Dist. 1993).

III. COMMISSION ANALYSIS AND CONCLUSION:

a. Certificate of Public Convenience and Necessity.

The record establishes that the Section 8-406 requirements for a certificate have been met. Specifically, the evidence proves that: (1) Citizens' ownership, operation and maintenance of the water and sewer facilities is necessary to provide adequate, reliable and efficient water and sanitary sewer service to the customers to be located within the parcels for which certification is sought; (2) Citizens' ownership and operation constitutes the least-cost means of satisfying the service needs of those customers; (3) Citizens is capable of efficiently managing and supervising any activities necessary to serve all of the parcels; and, (4) Citizens is capable of financing the operations necessary to serve all of the parcels without adverse financial consequences to Citizens or its customers.

The Commission finds that certifying Citizens to serve the area is necessary to provide adequate, reliable and efficient water and sanitary sewer service to the customers in the area. Presently, there is no other water or sanitary sewer utility providing the required service. Citizens Ex. 1.0 at 4 (Scheppmann). A Business Park (approximately 250 acres), a residential development (with approximately 97 homes), and a townhome development (with 170 townhomes) are planned for the area, and property owners will soon need service within those developments. Tr. at 27; Citizens Ex. 1.0 at 4-5 (Scheppmann). Given that customers will soon need service and Citizens is the only utility ready, willing and able to provide such service, it is necessary and appropriate to grant Citizens a Certificate of Public Convenience and Necessity to serve the area.

The record establishes that Citizens will provide adequate, reliable and efficient service to the customers in that area, as it does to all its customers. The existing facilities were designed, tested and inspected by professional engineers, and are sufficient to serve the initial phases of development in the area for which certification is requested. Citizens Ex. 1.0 at 5 (Scheppmann).

The record further establishes that certification of Citizens is the least-cost means of satisfying the service needs of customers to be located in the area for which certification is sought. Indeed, Citizens is virtually the only means of satisfying the service needs of customers in the area. Facilities are in place to serve the area currently being developed, and the owner of those facilities, Terra Cotta, already has entered into an agreement to sell those facilities to Citizens. It is obviously most cost efficient for Citizens, who already has an agreement to purchase the facilities, to provide service to the area. Allowing Citizens to serve the area avoids

duplication of facilities and unnecessary costs. Moreover, because of the size and financial strength of Citizens, it possesses economies of scope and scale lacking in smaller, stand-alone systems. These economies of scope and scale assure that certification of Citizens is the least cost means of satisfying the service needs in the area being developed. Additionally, the purchase of facilities is structured in a way which minimizes initial capital investment by Citizens and provides for investment to occur as new customers are connected. Significantly, the fact that we have jurisdiction over Citizens' rates and services provides assurance that Citizens will provide adequate, reliable and efficient service at the least cost. Citizens Ex. 1.0 at 5-6 (Scheppmann).

The record also establishes that Citizens is capable of efficiently managing, supervising and financing the activities and facilities necessary to serve all of the parcels without adverse financial consequences to Citizens or its customers. Citizens possesses the managerial and technical expertise to provide service to the area for which certification is requested, as evidenced by its proven track record. Citizens currently services over 73,000 customer connections in six counties within northeastern Illinois and has many years of experience managing water and sanitary sewer facilities of this type. Citizens Ex. 1.0 at 6-7 (Scheppmann). Additionally, Citizens has access to all of the necessary funds to support this investment through its parent, Citizens Communications Company. Because of Citizens' financial strength, any required financing of future improvements or investment in facilities will not be a burden to Citizens or its customers. In short, neither Citizens nor its existing customers will be adversely affected by the purchase of the facilities at issue. Citizens Ex. 1.0 at 7 (Scheppmann).

Because the requirements of Section 8-406 have been satisfied, the Commission grants Citizens a Certificate of Public Convenience and Necessity to provide water and sanitary sewer service to the parcels.

b. The Asset Purchase Agreement.

Under the Agreement between Citizens and Terra Cotta, Citizens agrees to purchase and Terra Cotta agrees to sell, transfer, and convey all of the facilities on the Terra Cotta property except for the following: (1) two existing wells and any capped wells within Terra Cotta's manufacturing site and a 380,000 gallon water storage facility currently being used to provide water service to Terra Cotta's existing and future manufacturing facilities and administrative offices; and (2) wastewater collection and pre-treatment facilities used to provide service to Terra Cotta's existing and future manufacturing facilities and administrative offices. Citizens Ex. 1.0 at 8-9 (Scheppmann).

The facilities being purchased include, but are not limited to, the following: two new wells and new well house, a 0.5 mg elevated storage tank, hydrants, meters, service lines, equipment, a generator, supplies, water mains, sanitary sewer mains, a new lift station, and an existing 0.1 mgd water reclamation facility and appurtenances. These facilities are suitable to provide service to the initial area being developed. The existing wells, mains and storage tank will provide water service to the Business Park and residential developments planned in the area. Citizens Ex. 2.0 at 5-6 (Khan).

With respect to capacity, the existing WRF is rated at 100,000 gpd capacity. This plant has approximately 80,000 gpd available capacity. Terra Cotta has reserved in the contract 20,000 gpd for future flows for its facilities. As stated above, although this plant will be

expanded to provide service to the area as customer growth occurs, for initial developments, Citizens does not intend to construct any facilities or drill any new wells. The current facilities are capable of serving the initial developments planned in the area. Any future construction will be driven by future development requirements. Citizens Ex. 2.0 at 6 (Khan).

Under the Agreement, Citizens will reimburse Terra Cotta for water backbone plant based on new customer connections. Backbone plant includes the two new wells, well house, and the new 500,000 gallon elevated storage tank and related appurtenances. The amount of payment will be determined by the actual cost of the backbone facilities divided by the number of SFUs or PEs (determined by a professional engineer mutually agreed to by the parties) that can be served by the backbone facilities. Citizens will reimburse Terra Cotta for the actual cost of the individual water service connections constructed by Terra Cotta between the water main and the property line. Citizens will pay to Terra Cotta 1 ½ times the first year water revenues of a typical residence for each new residential customer connected for the first time and in service for a period of one year. For new commercial customer connections, Citizens will pay to Terra Cotta 1 ½ times the actual first year's water revenue after the first full year of service. Citizens would make these payments for a period of ten years from the date of either the first customer connection or July 1, 2000, whichever occurs first. Citizens Ex. 1.0 at 9 (Scheppmann).

Citizens will not own the real estate on which the WRF is located, but will own the WRF. Terra Cotta and Citizens are entering into a lease agreement under which Citizens will lease the land on which the facilities are located from Terra Cotta for 99 years. The lease agreement contains a right of first refusal in the event that Terra Cotta receives a bona fide offer to purchase

the premises during the term of the lease or any extension thereof. Citizens Ex. 1.0 at 10 (Scheppmann).

The Commission approves the Asset Purchase Agreement ("Agreement") between Citizens and Terra Cotta for the acquisition by Citizens of the existing water and sewer facilities. The Agreement, executed on February 16, 2000, was the result of arm's-length negotiations between Citizens and Terra Cotta, and represents the best interests of both parties. Indeed, both parties voluntarily entered into this Agreement under terms that were mutually satisfactory to each party. If the terms of the Agreement were not satisfactory, either party could have elected to abandon negotiations, or to negotiate with another party. The Agreement was entered into in good faith, is fair to both parties, and produces results that are in the public interest and serve the public convenience. Citizens Ex. 1.0 at 8 (Scheppmann). Additionally, the financial arrangement under the Agreement complies with 83 Illinois Administrative Code 600.370 and Citizens' tariff does not prohibit a transaction of the type described in the Agreement. Indeed, Citizens' tariff contains no restrictive provision that would impact the terms of the Agreement. Citizens Ex. 1.0 at 10 (Scheppmann).

The Commission finds that Staff's argument, that the Agreement is not reasonable with respect to the sewer facilities because it does not provide for refunds to Terra Cotta as customers are added to the system, is without merit. Staff's proposal would adversely affect Citizens and its customers, if adopted by the Commission. In particular, increased investment in sewer facilities would exert upward pressure on the rates charged to customers. In contrast, the negotiated Agreement with Terra Cotta will not put any pressure on rates due to increased investment. We also note that, as a policy matter, this Commission will not engage in

substituting its judgment for that of Terra Cotta's experienced management. The Agreement was the result of arms length negotiations and is in the best interest of ratepayers, as well as the parties who negotiated the contract.

Second, as pointed out by Citizens, neither the PUA, the Commission rules, nor Citizen's tariffs require a sewer utility to make refunds as Staff suggests. With respect to Citizens' tariffs, it is clear to us that Section 11 - "Extension of sewer mains" (ILL. C.C. No. 5, p. 25) does not apply to a proposed development of approximately 1,444 acres. In addition, this Commission has rejected similar Staff proposals in the past, *see Citizens Utilities Company of Illinois*, Ill. C.C. Docket No. 94-0481, 1995 WL 612576 * 13 (1995), and will do so again in this case. As we have previously stated, if a sewer main extension rule were to be developed, it should be done in the context of a generic hearing that would apply to all utilities. *Id.* at * 14. We do not, however, find that such a rule is necessary or appropriate. Sewer utilities historically have been treated differently than electric and gas utilities with respect to refunds. This is necessary due to the higher level of investment per customer for sewer facilities, investment that Staff acknowledges. (Staff Ex. 2.0 at 12 (King)). In short, it has been this Commission's longstanding practice not to require refunds for sewer facilities. Staff's arguments do not persuade us that there is a need to change this position.

We are also unpersuaded by Staff's arguments that Citizens will enjoy a windfall and that "high returns" and "limited liability" could create a disincentive for continued investment and, therefore, harm service quality. We agree with Citizens that these assertions are inapplicable to Citizens in this case. The Company's Annual Report on file with the Commission reflects \$45,895,665 in Net book *cost* of sewer facilities, establishing that Citizens has maintained a

significant continuing investment in sewer facilities. Mr. Scheppmann also testified that Citizens will make a substantial continuing investment in these facilities. Tr. at 34.

In short, the Asset Purchase Agreement between Terra Cotta and Citizens is reasonable and consistent with the Commission's policy and the Company's approved Tariffs. Therefore, the Agreement is approved.

c. Construction of facilities.

Staff's assertion that facilities were prematurely constructed has no record support and is rejected. The evidence in this case conclusively establishes that Citizens has not constructed any facilities. Indeed, the unrefuted testimony of Reed Scheppmann demonstrates that Terra Cotta (the developer), not Citizens, built the facilities that currently exist: "*TC constructed a 500,000 gallon elevated water storage tank, two wells, a well house, and a lift station, along with water and sanitary sewer mains.*" (Citizens Ex. 1.0 at 3-4, 7, 9; Citizens Ex. 2.0 at 5-6; Tr. 15). There is no indication that Citizens was involved in any way in the construction of facilities, or that it even knew about the facilities at any time before it entered into negotiations with Terra Cotta to purchase its existing facilities. To the contrary, when ask during cross examination whether Citizens provided any assistance to Terra Cotta in designing the water and sewer facilities, both witnesses on behalf of Citizens testified "no." (Tr. 29, 40). Staff did not challenge Citizens' testimony in Staff's own testimony or during cross examination, and it stands unrefuted.

The clear focus of this proceeding has been Citizens' proposed purchase of existing facilities from Terra Cotta. (Citizens Ex. 1.0 at 5). At no time before Initial Briefs were filed did Staff mention or present facts concerning purportedly premature construction of facilities,

and it would be improper for the Commission to consider such an assertion at this late date when Citizens has no opportunity to factually respond to the allegation. Indeed, our consideration of the assertion would violate Citizens' due process rights, *Operator Communication Inc.*, 281 Ill.App.3d at 302-03 (Commission failed to comply with Administrative Procedure Act when it made factual determination that carrier was violating state law without giving carrier notice and opportunity to be heard; "Due process of law is served where there is a right to present evidence and argument in one's own behalf, a right to cross-examine adverse witnesses, and impartiality in rulings upon the evidence which is offered."). Consideration of Staff's assertion would also violate Section 10-103 of the PUA, which requires the Commission's findings to be based exclusively on the record. *See also Village of Montgomery v. Illinois Commerce Commission*, 249 Ill. App.3d 484 *8. In any event, even if Staff had properly raised this argument, the record conclusively establishes that Citizens did not construct any facilities. Obviously, if Citizens had constructed the facilities, there would be no need for Citizens to purchase those facilities from Terra Cotta, as it is proposing to do in this case.

III. CONCLUSION

As demonstrated above, the requirements of Section 8-406 have been satisfied, and the Asset Purchase Agreement between Terra Cotta and Citizens is reasonable. Therefore, the Commission grants Citizens a Certificate of Public Convenience and Necessity and approves the Asset Purchase Agreement between Terra Cotta and Citizens.

FINDINGS AND ORDERING PARAGRAPHS

Having considered the entire record herein and being fully advised in the premises, the Commission is of the opinion and finds the following:

1. Citizens Utilities Company of Illinois is engaged in the business of providing water and/or sanitary sewer services to the public in the State of Illinois and, as such, is a public utility within the meaning of Section 3-105 of the Public Utilities Act;
2. the Commission has jurisdiction over Citizens Utilities Company of Illinois and the subject matter of this proceeding;
3. the recitals of fact set forth in the prefatory portion of this order are supported by the evidence of record and are hereby adopted as findings of fact;
4. the granting of a Certificate of Public Convenience and Necessity to provide water and sanitary sewer service to the areas described in Appendix A and shown in Appendix B will promote the public convenience and necessity and is reasonably necessary thereto;
5. a certificate of public convenience and necessity should be issued to Citizens Utilities Company of Illinois to provide water and sanitary sewer service in the area described in Appendix A and shown in Appendix B;
6. the Asset Purchase Agreement is reasonable.

IT IS THEREFORE ORDERED that, pursuant to Section 8-406 of the Public Utilities Act, a Certificate of Public Convenience and Necessity is hereby granted to Citizens Utilities Company of Illinois to provide water and sanitary sewer service to the area described in Appendix A and shown in Appendix B.

IT IS FURTHER ORDERED that the Certificate of Public Convenience and Necessity is as follows:

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

IT IS HEREBY CERTIFIED that the public convenience and necessity require that Citizens Utilities Company of Illinois provide water and sanitary sewer service to the area described in Appendix A and shown on Appendix B.

IT IS FURTHER ORDERED that Citizens Utilities Company of Illinois shall serve customers in the area certificated under the standard rates, rules and regulations that Citizens Utilities Company of Illinois has in effect.

IT IS FURTHER ORDERED that the Asset Purchase Agreement is approved.

IT IS FURTHER ORDERED that subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of the Commission this _____ day of _____, 2000.

(SIGNED)
Chairman

THE LEGAL DESCRIPTION IS HEREBY DESCRIBED AS FOLLOWS:

PARCEL 1: THE EAST 1/2 OF THE SOUTHWEST 1/4, AND THE EAST 1/2 OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 15, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 2: THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 15, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 3: THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 15, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 4: THAT PART OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 22; THAT PART OF THE SOUTHWEST 1/4 OF SECTION 23; AND THAT PART OF THE SOUTHEAST 1/4 OF SECTION 23, ALL IN TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SAID SECTION 22; THENCE SOUTHERLY ALONG THE WEST LINE OF SAID EAST 1/2, A DISTANCE OF 2391.40 FEET; THENCE NORTHEASTERLY ALONG A LINE THAT FORMS AN ANGLE OF 109 DEGREES, 32 MINUTES, 05 SECONDS TO THE LEFT, WITH THE PROLONGATION OF THE LAST DESCRIBED COURSE, A DISTANCE OF 567.61 FEET; THENCE EASTERLY ALONG A LINE THAT FORMS AN ANGLE OF 26 DEGREES, 35 MINUTES, 59 SECONDS TO THE RIGHT, WITH THE PROLONGATION OF THE LAST DESCRIBED COURSE, A DISTANCE OF 200.49 FEET; THENCE NORTHEASTERLY ALONG A LINE THAT FORMS AN ANGLE OF 25 DEGREES, 16 MINUTES, 35 SECONDS TO THE LEFT, WITH THE PROLONGATION OF THE LAST DESCRIBED COURSE, A DISTANCE OF 612.47 FEET TO A POINT ON THE WEST LINE OF THE SOUTHWEST 1/4 OF SECTION 23, AFORESAID; THENCE NORTHEASTERLY ALONG A LINE THAT FORMS AN ANGLE OF 15 DEGREES, 45 MINUTES, 03 SECONDS TO THE LEFT, WITH THE PROLONGATION OF THE LAST DESCRIBED COURSE, A DISTANCE OF 552.95 FEET; THENCE EASTERLY PARALLEL WITH THE SOUTH LINE OF SAID SOUTHWEST 1/4 OF SECTION 23, A DISTANCE OF 855.29 FEET TO A POINT ON THE WEST LINE OF THE SOUTHEAST 1/4 OF SAID SOUTHWEST 1/4; THENCE EASTERLY ALONG A LINE THAT FORMS AN ANGLE OF 0 DEGREES, 44 MINUTES, 12 SECONDS TO THE LEFT, WITH THE PROLONGATION OF THE LAST DESCRIBED COURSE, A DISTANCE OF 1313.36 FEET TO A POINT ON THE WEST LINE OF THE SOUTHEAST 1/4 OF SECTION 23, AFORESAID, THAT IS 919.77 FEET NORTH OF (AS MEASURED ALONG SAID WEST LINE) THE SOUTHWEST CORNER OF SAID SOUTHEAST 1/4; THENCE NORTHERLY ALONG SAID WEST LINE, A DISTANCE OF 188.20 FEET; THENCE EASTERLY ALONG A LINE THAT FORMS AN ANGLE OF 90 DEGREES, 10 MINUTES, 25 SECONDS TO THE RIGHT, WITH THE PROLONGATION OF THE LAST DESCRIBED COURSE, A DISTANCE OF 1059.61 FEET TO A POINT ON THE CENTER LINE OF BARREVILLE ROAD; THENCE NORTH 16 DEGREES, 48 MINUTES EAST ALONG SAID CENTER LINE, A DISTANCE OF 191.72 FEET; THENCE WESTERLY ALONG A LINE THAT FORMS AN ANGLE OF 106 DEGREES, 53 MINUTES, 55 SECONDS TO THE LEFT, WITH THE PROLONGATION OF THE LAST DESCRIBED COURSE, A DISTANCE OF

243.01 FEET; THENCE NORTH 29 DEGREES, 04 MINUTES, 32 SECONDS EAST, A DISTANCE OF 130.45 FEET; THENCE NORTH 25 DEGREES, 14 MINUTES, 49 SECONDS EAST, A DISTANCE OF 167.80 FEET; THENCE NORTH 19 DEGREES, 25 MINUTES, 55 SECONDS EAST, A DISTANCE OF 235.73 FEET; THENCE SOUTH 88 DEGREES, 52 MINUTES, 42 SECONDS EAST, A DISTANCE OF 175.86 FEET TO THE CENTER LINE OF BARREVILLE ROAD; THENCE NORTH 16 DEGREES, 48 MINUTES, EAST ALONG SAID CENTER LINE, A DISTANCE OF 60.26 FEET TO THE INTERSECTION OF THE CENTER LINE EXTENDED NORTHWESTERLY OF NISH ROAD; THENCE NORTH 16 DEGREES, 38 MINUTES, 47 SECONDS EAST ALONG SAID CENTER LINE OF BARREVILLE ROAD, A DISTANCE OF 3.00 FEET; THENCE NORTH 67 DEGREES, 57 MINUTES, 43 SECONDS WEST, A DISTANCE OF 122.24 FEET; THENCE NORTH 26 DEGREES, 06 MINUTES, 38 SECONDS EAST, A DISTANCE OF 32.24 FEET; THENCE NORTH 26 DEGREES, 46 MINUTES, 07 SECONDS EAST, A DISTANCE OF 108.97 FEET; THENCE SOUTH 46 DEGREES, 24 MINUTES, 02 SECONDS EAST, A DISTANCE OF 113.34 FEET TO THE CENTER LINE OF BARREVILLE ROAD; THENCE NORTH 16 DEGREES, 38 MINUTES, 47 SECONDS EAST ALONG SAID CENTER LINE, A DISTANCE OF 706.45 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHEAST 1/4 OF SECTION 23, AFORESAID; THENCE WESTERLY ALONG SAID NORTH LINE, A DISTANCE OF 1515.22 FEET TO THE NORTHEAST CORNER OF THE SOUTHWEST 1/4 OF SAID SECTION 23; THENCE WESTERLY ALONG THE NORTH LINE OF SAID SOUTHWEST 1/4, A DISTANCE OF 2628.14 FEET TO THE NORTHEAST CORNER OF THE SOUTHEAST 1/4 OF SECTION 22, AFORESAID; THENCE WESTERLY ALONG THE NORTH LINE OF SAID SOUTHEAST 1/4, A DISTANCE OF 1322.50 FEET TO THE POINT OF BEGINNING, (EXCEPTING FROM THE ABOVE DESCRIBED REAL ESTATE, THE FOLLOWING: THAT PART OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 23, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 23; THENCE WEST ALONG THE SOUTH LINE OF THE NORTHWEST 1/4 OF SAID SOUTHEAST 1/4, A DISTANCE OF 192.10 FEET TO THE CENTER LINE OF CRYSTAL LAKE-BARREVILLE ROAD; THENCE NORTH 16 DEGREES, 48 MINUTES EAST ALONG SAID CENTER LINE, A DISTANCE OF 507.0 FEET TO THE PLACE OF BEGINNING; THENCE CONTINUING NORTH 16 DEGREES, 48 MINUTES EAST ALONG SAID CENTER LINE, A DISTANCE OF 60.6 FEET; THENCE NORTH 17 DEGREES, 51 MINUTES EAST ALONG SAID CENTER LINE, A DISTANCE OF 2.40 FEET; THENCE NORTH 66 DEGREES, 33 MINUTES WEST, A DISTANCE OF 122.20 FEET; THENCE SOUTH 38 DEGREES, 29 MINUTES WEST, A DISTANCE OF 132.65 FEET; THENCE SOUTH 88 DEGREES, 22 MINUTES EAST, A DISTANCE OF 176.44 FEET TO THE PLACE OF BEGINNING), IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 5: THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 22, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 6: THAT PART OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 22, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 22, AND RUNNING THENCE EAST ON THE SOUTH LINE OF SAID SOUTHEAST 1/4 OF THE NORTHEAST 1/4, 25 FEET TO A

POINT; THENCE NORTHWESTERLY TO A POINT ON THE WEST LINE OF SAID SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 22, WHICH IS 25 FEET NORTH OF THE SOUTHWEST CORNER OF SAID SOUTHEAST 1/4 OF THE NORTHEAST 1/4; THENCE SOUTH ON SAID QUARTER LINE, 25 FEET TO THE PLACE OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 7: THE NORTHEAST 1/4 OF SECTION 15, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 8: THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 14, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 9: THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 14, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPTING THEREFROM A STRIP OF LAND AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 14; THENCE SOUTH 15 RODS; THENCE WEST 1 ROD; THENCE NORTH 15 RODS; THENCE EAST 1 ROD TO THE PLACE OF BEGINNING), IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 10: THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 15, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPTING THEREFROM 1 ACRE OF LAND IN THE NORTHWEST CORNER THEREOF USED FOR CEMETERY PURPOSES), IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 11: THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 22, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 12: THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 22, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 13: THAT PART OF THE SOUTHEAST 1/4 OF SECTION 21, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHEAST 1/4 OF SAID SOUTHEAST 1/4; THENCE WESTERLY ALONG THE NORTH LINE OF THE SOUTHEAST 1/4 OF SAID SOUTHEAST 1/4, A DISTANCE OF 924.83 FEET TO THE CENTER LINE OF PLEASANT HILL ROAD; THENCE SOUTHEASTERLY ALONG SAID CENTER LINE, A DISTANCE OF 1044.33 FEET TO THE EAST LINE OF THE SOUTHEAST 1/4 OF SAID SOUTHEAST 1/4; THENCE NORTHERLY ALONG SAID EAST LINE, A DISTANCE OF 492.83 FEET TO THE PLACE OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 14: THE EAST 1/2 OF SECTION 16, (EXCEPTING THEREFROM THE RIGHT OF WAY OF THE CHICAGO AND NORTHWESTERN RAILROAD COMPANY; AND ALSO EXCEPTING THAT PART THEREOF WHICH LIES WESTERLY FROM THE WEST LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD COMPANY; ALSO EXCEPTING THE FOLLOWING DESCRIBED PROPERTY: BEGINNING AT AN IRON STAKE IN EDGEWOOD ROAD MARKING

THE SOUTHEAST CORNER OF SECTION 16; RUNNING THENCE NORTHERLY ALONG THE EAST LINE THEREOF, AT AN ANGLE OF 89 DEGREES, 57 MINUTES MEASURED CLOCKWISE FROM THE SOUTH LINE THEREOF, 2640.50 FEET TO AN IRON STAKE; RUNNING THENCE WESTERLY AT AN ANGLE OF 90 DEGREES, 10 MINUTES MEASURED CLOCKWISE FROM THE LAST DESCRIBED COURSE, ALONG THE NORTH LINE OF THE SAID SOUTHEAST 1/4 OF SECTION 16, A DISTANCE OF 507.00 FEET TO AN IRON STAKE; RUNNING THENCE SOUTHERLY PARALLEL WITH THE AFORESAID EAST LINE, 2641.41 FEET TO AN IRON STAKE ON THE SOUTH LINE OF THE SAID SOUTHEAST 1/4 OF SECTION 16, SAID POINT BEING 507.00 FEET WEST OF THE PLACE OF BEGINNING; RUNNING THENCE EASTERLY ALONG THE SAID SOUTH LINE, 507.00 FEET TO THE PLACE OF BEGINNING; ALSO EXCEPTING THEREFROM AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF SAID SOUTHEAST 1/4; THENCE WESTERLY ALONG THE SOUTH LINE OF SAID SOUTHEAST 1/4, A DISTANCE OF 507.00 FEET FOR THE PLACE OF BEGINNING; THENCE NORTHERLY PARALLEL WITH THE EAST LINE OF SAID SOUTHEAST 1/4, A DISTANCE OF 940.0 FEET; THENCE WESTERLY PARALLEL WITH SAID SOUTH LINE, A DISTANCE OF 687.83 FEET TO A POINT 150.0 FEET EASTERLY OF (AS MEASURED ALONG THE LAST DESCRIBED COURSE EXTENDED WESTERLY) THE EASTERLY RIGHT OF WAY OF THE CHICAGO AND NORTHWESTERN RAILROAD COMPANY; THENCE SOUTHERLY PARALLEL WITH SAID EASTERLY RIGHT OF WAY, BEING ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 5350.50 FEET, A DISTANCE OF 943.22 FEET TO THE SOUTH LINE OF SAID SOUTHEAST 1/4; THENCE EASTERLY ALONG SAID SOUTH LINE, A DISTANCE OF 751.34 FEET TO THE PLACE OF BEGINNING), ALL IN TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 15: THE EAST 1/2 OF THE NORTHWEST 1/4, (EXCEPT THE WEST 2 RODS OF THE NORTHEAST 1/4 OF SAID NORTHWEST 1/4), AND THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 23, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 16: THAT PART OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 23, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, THAT LIES WEST OF THE CENTER LINE OF THE HIGHWAY LEADING FROM MCHENRY TO ALGONQUIN, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF SAID NORTHEAST 1/4 OF THE NORTHEAST 1/4, AND RUNNING THENCE SOUTH ALONG THE WEST LINE THEREOF, 80 RODS TO THE SOUTHWEST CORNER THEREOF; THENCE EAST ALONG THE SOUTH LINE OF THE SAID NORTHEAST 1/4 OF THE NORTHEAST 1/4, 4 CHAINS AND 79 LINKS TO THE CENTER OF THE HIGHWAY LEADING FROM MCHENRY TO ALGONQUIN; THENCE NORTHERLY ALONG THE CENTER OF SAID HIGHWAY TO THE NORTH LINE OF SAID SECTION 23; THENCE WEST ALONG SAID NORTH LINE, 6 CHAINS AND 21 LINKS TO THE PLACE OF BEGINNING, (EXCEPTING THEREFROM THAT PART THEREOF DESCRIBED AS FOLLOWS: COMMENCING ON THE EAST LINE OF SAID SECTION 23, AT A POINT 1320 FEET SOUTH FROM THE NORTHEAST CORNER THEREOF; THENCE WEST ON THE SOUTH LINE OF SAID NORTHEAST 1/4 OF THE NORTHEAST 1/4, A DISTANCE OF 950.6 FEET TO A POINT IN THE CENTER OF THE PUBLIC HIGHWAY FOR A PLACE OF BEGINNING; THENCE NORTHERLY ALONG THE CENTER OF THE PUBLIC HIGHWAY, BEING ON A LINE FORMING AN ANGLE OF 90 DEGREES, 23 MINUTES TO THE RIGHT, WITH A PROLONGATION OF THE LAST

DESCRIBED LINE, 191.5 FEET TO A POINT; THENCE WESTERLY BEING ON A LINE FORMING AN ANGLE OF 86 DEGREES, 08 MINUTES TO THE LEFT, WITH A PROLONGATION OF THE LAST DESCRIBED LINE, FOR A DISTANCE OF 160 FEET TO A POINT; THENCE SOUTHWESTERLY ON A LINE FORMING AN ANGLE OF 87 DEGREES, 50 MINUTES TO THE LEFT, WITH A PROLONGATION OF THE LAST DESCRIBED LINE, 204.6 FEET TO A POINT ON THE SOUTH LINE OF SAID NORTHEAST 1/4 OF THE NORTHEAST 1/4; THENCE EASTERLY ON SAID SOUTH LINE, 181.35 FEET TO THE PLACE OF BEGINNING), IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 17: A PART OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 23, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID SOUTHEAST 1/4 OF THE NORTHEAST 1/4, AND RUNNING THENCE NORTH ALONG THE WEST LINE THEREOF, 32 RODS; THENCE EAST 21 RODS AND 5 FEET TO THE CENTER OF THE HIGHWAY; THENCE SOUTHWESTERLY ALONG THE CENTER OF SAID HIGHWAY TO THE SOUTH LINE OF THE SAID SOUTHEAST 1/4 OF THE NORTHEAST 1/4; THENCE WEST ALONG SAID SOUTH LINE TO THE PLACE OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 18: THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 23, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN MCHENRY COUNTY, ILLINOIS. ALSO

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~~PARCEL 19: PART OF THE NORTH 1/2 OF THE NORTHEAST 1/4 OF SECTION 21, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, THAT LIES EAST OF THE CHICAGO AND NORTHWESTERN RAILWAY COMPANY'S RIGHT OF WAY DESCRIBED AS FOLLOWS: STARTING AT AN IRON STAKE AT A POINT WHERE THE EAST LINE OF THE CHICAGO AND NORTHWESTERN RAILWAY COMPANY'S RIGHT OF WAY IS CROSSED BY THE SOUTH LINE OF THE NORTH 1/2 OF THE NORTHEAST 1/4 OF SAID SECTION 21; THENCE NORTH 4 DEGREES, 44 MINUTES WEST ON THE EAST LINE OF SAID RIGHT OF WAY, 83.8 FEET TO AN IRON STAKE; THENCE NORTH 89 DEGREES, 11 MINUTES EAST PARALLEL TO THE NORTH LINE OF SAID SECTION, 21.45 FEET TO AN IRON STAKE; THENCE NORTH 4 DEGREES, 44 MINUTES WEST ALONG THE EAST LINE OF SAID RIGHT OF WAY, 441.5 FEET TO AN IRON STAKE; THENCE NORTH 89 DEGREES, 19 MINUTES EAST, 343 FEET TO AN IRON STAKE; THENCE SOUTH 89 DEGREES, 31 MINUTES WEST, 526.7 FEET TO AN IRON STAKE ON THE SOUTH LINE OF THE NORTH 1/2 OF THE NORTHEAST 1/4 OF SAID SECTION 21; THENCE SOUTH 89 DEGREES, 21 MINUTES WEST ON SAID LINE, 351 FEET TO THE PLACE OF BEGINNING, (EXCEPTING THEREFROM THE NORTH 85 FEET IN WIDTH THEREOF), IN MCHENRY COUNTY, ILLINOIS. ALSO~~

PARCEL 20: PART OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 22, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT A POST AT THE SOUTHWEST CORNER OF SAID SECTION 22; THENCE NORTH ON THE SECTION LINE, 8.03 CHAINS; THENCE NORTH 77 DEGREES EAST, 14.45 CHAINS ON THE SOUTH SIDE OF THE HIGHWAY TO A POINT FOR A PLACE OF BEGINNING; THENCE SOUTH 13 DEGREES EAST, 11.60 CHAINS TO THE SOUTH LINE OF SAID SECTION 22; THENCE EAST ON THE SECTION LINE, 3.83

CHAINS; THENCE NORTH 5.13 CHAINS; THENCE NORTH 13 DEGREES WEST, 7.26 CHAINS TO THE SOUTH LINE OF THE HIGHWAY; THENCE SOUTH 77 DEGREES WEST ON THE SOUTH SIDE OF THE HIGHWAY, 5.00 CHAINS TO THE PLACE OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 21: A PART OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 22, DESCRIBED AS FOLLOWS: COMMENCING AT A POST AT THE SOUTHWEST CORNER OF THE SOUTHWEST 1/4 OF SAID SECTION 22; THENCE NORTH ON THE SECTION LINE, 8 CHAINS AND 3 LINKS, MORE OR LESS TO THE POST IN THE CENTER OF THE HIGHWAY; THENCE NORTH 77 DEGREES EAST ALONG THE CENTER OF THE HIGHWAY TO THE EAST LINE OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 22 FOR A PLACE OF BEGINNING; THENCE NORTH ON THE EIGHTY LINE, TO A POINT 14 CHAINS AND 23 LINKS SOUTH OF THE NORTHEAST CORNER OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 22, AND TO THE SOUTHEAST CORNER OF A PIECE OF LAND CONVEYED BY C.C. DURLAND AND WIFE, TO JOHN FLUSKEY, BY WARRANTY DEED DATED JANUARY 28, 1870, RECORDED IN DEED RECORD BOOK 47, PAGE 84; THENCE SOUTH 81 3/4 DEGREES WEST, 10 CHAINS AND 88 LINKS; THENCE NORTH 55 1/2 DEGREES WEST, 10 CHAINS AND 71 LINKS TO THE SECTION LINE; THENCE SOUTH ON THE SECTION LINE TO THE CENTER OF THE HIGHWAY HERETOFORE REFERRED TO; THENCE NORTH 77 DEGREES EAST ALONG THE CENTER OF SAID HIGHWAY TO THE PLACE OF BEGINNING, IN TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 22: THAT PART OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 21, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE NORTH LINE OF SAID NORTHEAST QUARTER WITH THE CENTER LINE OF BAY ROAD; THENCE SOUTHERLY ALONG SAID CENTER LINE, A DISTANCE OF 150.0 FEET FOR THE PLACE OF BEGINNING; THENCE CONTINUING SOUTHERLY ALONG SAID CENTER LINE, A DISTANCE OF 1083.65 FEET TO THE CENTER LINE OF PLEASANT HILL ROAD; THENCE SOUTHEASTERLY ALONG THE CENTER LINE OF PLEASANT HILL ROAD, A DISTANCE OF 211.71 FEET TO THE SOUTH LINE OF SAID NORTHEAST QUARTER; THENCE EASTERLY ALONG SAID SOUTH LINE, A DISTANCE OF 924.83 FEET TO THE EAST LINE OF SAID NORTHEAST QUARTER; THENCE NORTHERLY ALONG SAID EAST LINE, A DISTANCE OF 909.21 FEET TO THE NORTHERLY RIGHT OF WAY FOR A SPUR TRACK GRANTED TO THE CHICAGO AND NORTHWEST RAILWAY COMPANY; THENCE NORTHWESTERLY ALONG SAID NORTHERLY RIGHT OF WAY, BEING ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF 1005.6 FEET, THE CHORD OF SAID CURVE FORMS AN ANGLE OF 71 DEGREES, 10 MINUTES, 46 SECONDS TO THE LEFT, WITH THE PROLONGATION OF THE LAST DESCRIBED COURSE, A DISTANCE OF 319.29 FEET; THENCE NORTHWESTERLY ALONG SAID NORTHERLY RIGHT OF WAY, BEING TANGENT TO THE LAST DESCRIBED CURVE, A DISTANCE OF 480.04 FEET; THENCE NORTHWESTERLY ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF 577.58 FEET AND BEING TANGENT TO THE LAST DESCRIBED COURSE, A DISTANCE OF 248.07 FEET TO A POINT ON A LINE THAT IS PERPENDICULAR TO THE CENTER LINE OF BAY ROAD AT THE PLACE OF BEGINNING; THENCE WESTERLY ALONG SAID PERPENDICULAR LINE, A DISTANCE OF 189.20 FEET TO THE PLACE OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 23: THAT PART OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 22, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SAID SOUTHWEST QUARTER; THENCE SOUTH ALONG THE EAST LINE OF THE NORTHWEST QUARTER OF SAID SOUTHWEST QUARTER, A DISTANCE OF 408.21 FEET FOR THE PLACE OF BEGINNING; THENCE CONTINUOUS SOUTH ALONG SAID EAST LINE, A DISTANCE OF 530.97 FEET TO A POINT 14 CHAINS AND 23 LINKS SOUTH OF THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SAID SOUTHWEST QUARTER AND TO THE SOUTHEAST CORNER OF A PIECE OF LAND CONVEYED BY C. C. DURLAND AND WIFE, TO JOHN FLUSKEY, BY WARRANTY DEED DATED JANUARY 28, 1970 RECORDED IN DEED RECORD BOOK 47, PAGE 84; THENCE SOUTH 81 DEGREES, 45 MINUTES WEST, A DISTANCE OF 718.08 FEET; THENCE NORTH 58 DEGREES, 30 MINUTES WEST, A DISTANCE OF 718.21 FEET TO THE WEST LINE OF THE NORTHWEST QUARTER OF SAID SOUTHWEST QUARTER; THENCE NORTHERLY ALONG SAID WEST LINE, A DISTANCE OF 255.48 FEET TO A POINT ON THE NORTHERLY RIGHT OF WAY FOR A SPUR TRACK GRANTED TO THE CHICAGO AND NORTHWESTERN RAILWAY COMPANY, SAID POINT BEING ON A LINE, THAT IS 408.21 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SOUTHWEST QUARTER; THENCE EASTERLY ALONG SAID PARALLEL LINE, A DISTANCE OF 1321.715 FEET TO THE PLACE OF BEGINNING, IN MCHEMRY COUNTY, ILLINOIS. ALSO

PARCEL 24: A STRIP OF LAND 17 FEET IN WIDTH EXTENDING ACROSS PART OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 21, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID STRIP OF LAND BEING 8.5 FEET IN WIDTH ON EACH SIDE OF THE CENTER LINE OF THE BRANCH OR SPUR TRACK OF THE CHICAGO AND NORTHWESTERN RAILWAY COMPANY (NOW CHICAGO AND NORTHWESTERN TRANSPORTATION COMPANY), AS ORIGINALLY LOCATED AND ESTABLISHED, LEADING FROM THE MAIN TRACK RIGHT OF WAY OF SAID TRANSPORTATION COMPANY TO THE (FORMER) AMERICAN TERRA COTTA AND CERAMIC COMPANY OF CHICAGO, AND LYING EASTERLY ON A LINE PARALLEL WITH AND DISTANT 50 FEET EASTERLY, MEASURED AT RIGHT ANGLES FROM THE CENTER LINE OF THE MAIN TRACK OF SAID TRANSPORTATION COMPANY, AS ORIGINALLY LOCATED AND ESTABLISHED, SAID PARALLEL LINE BEING ALSO THE WESTERLY LINE OF A TOWNSHIP OR COUNTY ROAD, KNOWN AS BAY ROAD, AND LYING WESTERLY OF THE EASTERLY LINE OF SAID BAY ROAD, IN MCHEMRY COUNTY, ILLINOIS. ALSO

PARCEL 25: THE EAST HALF OF THE SOUTHWEST QUARTER, AND THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPTING THAT PART THEREOF CONVEYED BY THE AMERICAN TERRA COTTA AND CERAMIC COMPANY, TO THE CHICAGO AND NORTHWESTERN RAILWAY COMPANY, BY TWO DEEDS RECORDED IN BOOK 87 OF DEEDS, PAGES 556 AND 557, RESPECTIVELY, FOR A RAILROAD RIGHT OF WAY), IN MCHEMRY COUNTY, ILLINOIS. ALSO

PARCEL 26: PART OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 22 TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION

22; THENCE EAST ALONG SECTION LINE 20 CHAINS, MORE OR LESS, TO THE SOUTHEAST CORNER OF THE WEST HALF OF SAID SOUTHWEST QUARTER; THENCE NORTH ON THE EAST LINE THEREOF, 5.13 CHAINS TO THE PLACE OF BEGINNING; THENCE NORTH 13 DEGREES WEST ALONG THE EASTERLY LINE OF THE PREMISES CONVEYED BY C. C. DURLAND AND WIFE TO PAUL RAUHUT BY WARRANTY DEED RECORDED IN BOOK 87 AT PAGE 384, TO THE SOUTH LINE OF A ROAD DEDICATION BY DOCUMENT NUMBER 671367; THENCE SOUTHEASTERLY ALONG SOUTH LINE OF SAID DOCUMENT NUMBER 671367, TO THE EAST LINE OF THE WEST HALF OF SAID SOUTHWEST QUARTER; THENCE SOUTH ALONG SAID EAST LINE TO THE PLACE OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 27: THAT PART OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 22, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, THAT LIES SOUTHERLY OF THE CENTER LINE OF SQUAW CREEK ROAD AND WHICH ALSO LIES NORTHERLY OF THE NORTH LINE OF A PUBLIC ROAD THAT WAS CREATED BY PLAT OF DEDICATION DATED JULY 29, 1975 AND RECORDED ON AUGUST 11, 1976 AS DOCUMENT NUMBER 671367, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 28: A PART OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 14, AT A POINT 561.9 FEET WEST FROM THE SOUTHEAST CORNER THEREOF, AND RUNNING THENCE NORTHERLY IN A LINE FORMING AN ANGLE OF 90 DEGREES, 45 MINUTES, TO THE RIGHT WITH A PROLONGATION OF THE LAST DESCRIBED LINE, A DISTANCE OF 229.73 FEET; THENCE SOUTHWESTERLY IN A LINE FORMING AN ANGLE OF 98 DEGREES AND 40 MINUTES TO THE LEFT WITH A PROLONGATION OF THE LAST DESCRIBED COURSE, FOR A DISTANCE OF 735.95 FEET; THENCE SOUTHERLY ON A LINE FORMING AN ANGLE OF 82 DEGREES AND 19 MINUTES TO THE LEFT WITH A PROLONGATION OF THE LAST DESCRIBED COURSE, FOR A DISTANCE OF 128.05 FEET TO A POINT ON THE SOUTH LINE OF SAID SOUTHWEST QUARTER; THENCE EAST, 725.55 FEET TO THE POINT OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 29: THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PREMISES: BEGINNING ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 14, AT A POINT 561.9 FEET WEST FROM THE SOUTHEAST CORNER THEREOF; THENCE NORTHERLY IN A LINE FORMING AN ANGLE OF 90 DEGREES, 45 MINUTES TO THE RIGHT WITH A PROLONGATION OF THE LAST DESCRIBED LINE, A DISTANCE OF 229.73 FEET; THENCE SOUTHWESTERLY IN A LINE FORMING AN ANGLE OF 98 DEGREES, 40 MINUTES TO THE LEFT WITH A PROLONGATION OF THE LAST DESCRIBED COURSE, FOR A DISTANCE OF 735.95 FEET; THENCE SOUTHERLY ON A LINE FORMING AN ANGLE OF 82 DEGREES, 19 MINUTES TO THE LEFT WITH A PROLONGATION OF THE LAST DESCRIBED COURSE, FOR A DISTANCE OF 128.05 FEET TO A POINT ON THE SOUTH LINE OF SAID SOUTHWEST QUARTER; THENCE EAST, 725.55 FEET TO THE PLACE OF BEGINNING), IN MCHENRY COUNTY, ILLINOIS. ALSO

PARCEL 30: A STRIP OF LAND 2 RODS IN WIDTH OFF FROM THE ENTIRE WEST SIDE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 23, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN MCHENRY COUNTY, ILLINOIS. ALSO

ROGERS ROAD PARCEL: LOT 5 IN EDGEWOOD EAST, BEING A SUBDIVISION OF PART OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 22, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 5, 1968, AS DOCUMENT NO. 501232, IN MCHENRY COUNTY, ILLINOIS. AND

EXCEPTING FROM THE ABOVE DESCRIBED PARCELS OF LAND THOSE PARTS THEREOF

~~DESCRIBED AS FOLLOWS. THAT PART OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER AND PART OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 23, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF THE SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER; THENCE EASTERLY ALONG THE NORTHERLY LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER, 130.00 FEET; THENCE SOUTHERLY ALONG A LINE FORMING AN ANGLE OF 90 DEGREES TO THE RIGHT WITH A PROLONGATION OF THE LAST DESCRIBED COURSE, FOR A DISTANCE OF 300.00 FEET; THENCE WESTERLY ALONG A LINE FORMING AN ANGLE OF 90 DEGREES TO THE RIGHT WITH A PROLONGATION OF THE LAST DESCRIBED COURSE, FOR A DISTANCE OF 200.00 FEET; THENCE NORTHERLY ALONG A LINE FORMING AN ANGLE OF 90 DEGREES TO THE RIGHT WITH A PROLONGATION OF THE LAST DESCRIBED COURSE, FOR A DISTANCE OF 300.00 FEET, MORE OR LESS, TO A POINT LOCATED ON THE NORTH LINE OF THE SAID SOUTHEAST QUARTER OF THE NORTHWEST QUARTER; THENCE EASTERLY ALONG THE SAID NORTHERLY LINE, 70.00 FEET TO THE PLACE OF BEGINNING, IN MCLENNAN COUNTY, ILLINOIS.~~

THAT PART OF THE SOUTH HALF OF SECTION 22, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 22 AND RUNNING THENCE ON AN ASSUMED BEARING OF NORTH 86 DEGREES, 16 MINUTES, 14 SECONDS WEST ON THE WEST LINE THEREOF, 929.81 FEET; THENCE NORTH 89 DEGREES, 59 MINUTES, 25 SECONDS EAST, 33.01 FEET TO A LINE 10.00 FEET EAST OF AND PARALLEL WITH THE EAST LINE OF ILLINOIS ROUTE 31; THENCE SOUTH 0 DEGREES, 00 MINUTES, 35 SECONDS EAST ON SAID PARALLEL LINE 929.7 FEET TO THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 22; THENCE SOUTH 89 DEGREES, 58 MINUTES, 10 SECONDS WEST ON SAID SOUTH LINE, 28.78 FEET TO THE POINT OF BEGINNING; ALSO

THAT PART OF THE SOUTH HALF OF SECTION 22, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF OF THE SOUTHWEST QUARTER OF SAID SECTION 22 AND RUNNING THENCE ON AN ASSUMED BEARING OF SOUTH 89 DEGREES, 27 MINUTES, 15 SECONDS WEST, ON THE SOUTH LINE THEREOF, 71.22 FEET TO A LINE, 10.00 FEET WEST OF AND PARALLEL WITH THE WEST LINE OF ILLINOIS ROUTE 31; THENCE NORTH 00 DEGREES, 00 MINUTES, 35 SECONDS WEST ON SAID PARALLEL LINE, 689.19 FEET TO A POINT ON THE CENTER LINE OF SQUAW CREEK ROAD; THENCE NORTH 89 DEGREES, 59 MINUTES, 25 SECONDS EAST ON SAID CENTER LINE AND THE EASTERLY PROLONGATION THEREOF, 68.09 FEET TO THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 22; THENCE SOUTH 00 DEGREES, 16 MINUTES, 14 SECONDS EAST ON SAID EAST LINE, 688.53 FEET TO THE POINT OF

BEGINNING ALSO

THAT PART OF THE SOUTH HALF OF SECTION 22, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 22 AND RUNNING THENCE ON AN ASSUMED BEARING OF SOUTH 89 DEGREES, 27 MINUTES, 16 SECONDS WEST ON THE SOUTH LINE OF SAID SOUTHWEST QUARTER, A DISTANCE OF 71.22 FEET TO A LINE, 10.00 FEET WEST OF AND PARALLEL WITH THE WEST LINE OF ILLINOIS ROUTE 31; THENCE NORTH 00 DEGREES, 00 MINUTES, 35 SECONDS WEST ON SAID PARALLEL LINE 689.19 FEET TO A POINT ON THE CENTER LINE OF SQUAW CREEK ROAD FOR THE POINT OF BEGINNING; THENCE CONTINUING NORTH 00 DEGREES, 00 MINUTES, 35 SECONDS WEST ON THE AFORESAID PARALLEL LINE, 241.28 FEET; THENCE NORTH 89 DEGREES, 59 MINUTES, 26 SECONDS EAST 66.99 FEET TO THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 22; THENCE SOUTH 00 DEGREES, 16 MINUTES, 14 SECONDS EAST ON SAID EAST LINE, 241.28 FEET TO THE CENTER LINE, EXTENDED EAST OF SAID SQUAW CREEK ROAD; THENCE SOUTH 89 DEGREES, 59 MINUTES, 26 SECONDS WEST ON THE LAST DESCRIBED LINE 68.09 FEET TO THE POINT OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS. ALSO

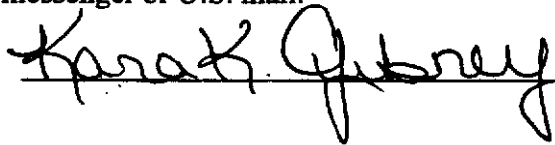
~~PART OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 22, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID SOUTHEAST 1/4 OF SAID NORTHWEST 1/4; THENCE WESTERLY ALONG THE NORTHERLY LINE OF SAID QUARTER SECTION FOR A DISTANCE OF 70.00 FEET TO THE POINT OF BEGINNING; THENCE SOUTHERLY 300.00 FEET ALONG A LINE FORMING A 90 DEGREE ANGLE WITH THE LAST DESCRIBED LINE; THENCE WESTERLY 100.00 FEET ALONG A LINE FORMING AN ANGLE OF 90 DEGREES WITH THE LAST DESCRIBED LINE; THENCE NORTHERLY 300.00 FEET ALONG A LINE FORMING AN ANGLE OF 90 DEGREES WITH THE LAST DESCRIBED LINE; THENCE EASTERLY ALONG THE NORTHERLY LINE OF THE SAID QUARTER SECTION FOR A DISTANCE OF 100.00 FEET TO THE POINT OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS.~~

~~ALSO-~~

~~PART OF THE NORTH 1/2 OF THE NORTHEAST 1/4 OF SECTION 21, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, THAT LIES EAST OF THE CHICAGO AND NORTHWESTERN RAILWAY COMPANY'S RIGHT OF WAY DESCRIBED AS FOLLOWS: STARTING AT AN IRON STAKE AT A POINT WHERE THE EAST LINE OF THE CHICAGO AND NORTHWESTERN RAILWAY COMPANY'S RIGHT OF WAY IS CROSSED BY THE SOUTH LINE OF THE NORTH 1/2 OF THE NORTHEAST 1/4 OF SAID SECTION 21; THENCE NORTH 4 DEGREES, 44 MINUTES WEST ON THE EAST LINE OF SAID RIGHT OF WAY, 83.8 FEET TO AN IRON STAKE; THENCE NORTH 89 DEGREES, 11 MINUTES EAST PARALLEL TO THE NORTH LINE OF SAID SECTION, 21.45 FEET TO AN IRON STAKE; THENCE NORTH 4 DEGREES, 44 MINUTES WEST ALONG THE EAST LINE OF SAID RIGHT OF WAY, 441.5 FEET TO AN IRON STAKE; THENCE NORTH 89 DEGREES, 19 MINUTES EAST, 343 FEET TO AN IRON STAKE; THENCE SOUTH 00 DEGREES, 31 MINUTES WEST, 526.7 FEET TO AN IRON STAKE ON THE SOUTH LINE OF THE NORTH 1/2 OF THE NORTHEAST 1/4 OF SAID SECTION 21; THENCE SOUTH 89 DEGREES, 22 MINUTES WEST ON SAID LINE, 351 FEET TO THE PLACE OF BEGINNING, (EXCEPTING~~

CERTIFICATE OF SERVICE

I, Kara K. Gibney, hereby certify that on this 6th day of October, 2000, I caused the foregoing Reply Brief and Proposed Order of Citizens Utilities Company of Illinois to be served on all parties listed below by either e-mail, messenger or U.S. mail.



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